July 30, 2007

Monthly Newsletter

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Regional news

Kyrgyzstan Will Trade on the Kazakhstan Power Market USAID's Central Asia Regional Energy Market Assistance Program (REMAP) helped launch a more transparent international electric power sales arrangement that will benefit both countries. Kyrgyzstan is striving to sell the summer surplus of its hydroelectric energy, while Southern Kazakhstan does not have enough power during the summer. With REMAP's assistance, Kyrgyz JSC "Electric Power Stations" became a member of the Kazakhstan's power exchange KOREM and is expected to trade its first kilowatt-hours of electric energy in a more transparent manner. Kyrgyzstan's summer surplus energy comprises up to 10% of the country's production. The arrangement has a potential to provide up to 20% of the electrical power for the Southern Kazakhstan region and increase profits for the Kyrgyz company. The received revenues will enable renovations of the Kyrgyzstan's power system, thus increasing their capacity and reducing



USAID facilitated training of Kyrgyz professionals who are now certified to trade on KOREM. Photo: REMAP

electricity loss. USAID's project was also instrumental in brokering a memorandum of understanding between the Tajik electric power company and KOREM, which should bring the same benefits to the involved parties as the Kyrgyz deal.

Kazakhstan

Kazakhstan's Public and Private Sector Leaders Learn from Poland's Experience

Last month, USAID's Kazakhstan Small Business
Development Project led a study tour to Poland for a group of
Kazakhstani specialists to introduce them to the Polish policies
for SME support and SME development programs.
Participants included leading specialists from the Department
of Entrepreneurship Development for the Ministry of Industry
and Trade, Prime Minister's Chancellery Office, Federation for
Small and Medium Business Development, Business Fund,
JSC "Small Entrepreneurship Development Fund," and the
Forum of Entrepreneurship. Participants are planning to brief
the Parliament and the Ministry of Industry and Trade on the
Polish experience, including needed reform and
enhancements to support SME development in Kazakhstan.



The study tour enabled Kazakhstani participants to draw lessons from Poland's experience. Photo: KSBD



CENTRAL ASIAN REPUBLICS

Kyrgyzstan

USAID's Assistance Facilitates More Transparent Electricity Sales in Kyrgyzstan

For the first time, this summer Kyrgyzstan conducted two open tenders to market its surplus energy and sold over one billion of kilowatt-hours of energy, resulting in over \$15 million in revenues. This new transparent cross border trading approach is partly a result of USAID's Central Asia Regional Energy Market Assistance Program (REMAP). Since its launch last year, the program facilitated a number of changes in the country's regulations and legislation that govern electrical power sales, bringing them closer to international standards and practices. The move to a more transparent power trading will increase revenues for the country and enable the facilities invest part of this money into the much needed renovations of the system, thus ensuring more stable production and supply of electrical power for the population as well as for export.

Kyrgyzstan's President and the Minister of Education Endorse the National Scholarship Testing

On July 3, President of the Kyrgyz Republic Kourmanbek Bakiev hosted an award ceremony for the National Scholarship Test, introduced and implemented in the country with support from USAID. The President awarded certificates to 50 students with highest test scores in the country and assured his support for the initiative. The National Scholarship Testing initiative was introduced with assistance from USAID in 2002 to provide a fair and transparent opportunity for the country's young people to compete for the government scholarships for higher education. USAID also created the Center for Educational Assessment and Teaching Methods (CEATM), which now conducts the test. The test is considered one of the largest and most successful anti-corruption projects in the sector of education; it was used as a model for similar testing initiatives in Georgia and Ukraine.

Recently, the National Scholarship Testing and CEATM also received endorsement from the country's Minister of Education. The minister attended a meeting of the CEATM Board of Trustees and supported the idea to appoint CEATM to implement the test for more than one year at a time.

Ministry of Justice Recognizes a USAID-funded Program

Two staff members of the USAID-funded Drug Demand Reduction Program (DDRP) in Kyrgyzstan recently received medals from the Minister of Justice of the Kyrgyz Republic for contributions to the health promotion in the country's penal system. The medals were awared to DDRP's project manager Natalia Shumskaya and regional advisor on HIV/TB and penal system projects Natalia Vezhnina. The project is implemented in Kyrgyzstan by the AIDS Foundation East West.

One of the recent DDRP initiatives for the penal system



Increased revenues can be used to fund renovation of the Kyrgyzstan's electrical power system. Photo: USAID



President Bakiev presents a certificate to one of the 50 best participants of the National Scholarship Test. Photo: Khabar



Natalia Shumskaya and Natalia Vezhnina (in the center) after receiving the medals for their work. Photo: DDRP

included trainings and informational sessions on drug demand reduction and health-related issues for the staff and 180 inmates of the correctional facility #10 in Jalalabat. The initiative aimed to improve attitudes, practices, and beliefs related to drug use and infectious diseases among prisoners. To promote alternatives to risky behavior, inmates also received sports equipment - tennis tables with all accessories, footballs, and basketballs. DDRP also helped to set up a telephone line for the rehabilitation center "Atlantis", which closely works with inmates on drug demand reduction issues.

USAID Will Continue to Facilitate Judicial Reforms

USAID and the Supreme Court of the Kyrgyz Republic signed their third Memorandum of Understanding for cooperation in judicial reforms to improve environment for businesses. Under the memorandum, USAID will cooperate with the Supreme Court through the Business Environment Improvement Project (BEI), implemented by the Pragma Corporation. The BEI project will facilitate free public access to the Database of Judicial Opinions of the Kyrgyz Republic, jointly developed in 2001 by the former High Arbitration Court of the Kyrgyz Republic and the USAID Commercial Law Reform Project. USAID's project will help to place the database on the Supreme Court's website and facilitate preparation and dissemination of reviews of judicial opinions on economic cases that would be of interest to entrepreneurs. USAID will also provide computer equipment to eight local courts and fund the collection and management of the texts of up to 3,000 judicial opinions on economic cases annually for inclusion into



Deputy USAID Country Representative in Kyrgyzstan and the Chairman of the Supreme Court sign the Memorandum of Understanding. Photo: USAID

the existing database. Public access to judicial opinions ensures transparency and openness of the judiciary and enables entrepreneurs and citizens to effectively form their protection strategies during litigation via analyzing the court practices and plan their commercial operations.



USAID Country Representative Pat Shapiro awards a certificate to Certified Agribusiness Professional (CAP) program graduate. Photo: USAID

New Agricultural Professionals for the Local Market

Twenty-four private and public sector professionals were recently awarded the diplomas of Certified Agribusiness Professional (CAP). The ceremony was attended by the Deputy Minister of Agriculture, the USAID Country Representative, and the Chief of Party for the USAID-supported Kyrgyz Agro-Input Enterprise Development project. The CAP is a seven-month program, teaching

leadership, planning, financial management, and marketing of agricultural goods and services. The program started in January 2007 and aims to develop highly skilled

professionals for the country's agricultural sector. The next round of trainings under the CAP program will be conducted from September 2007-March 2008.

Popular Professions for the Unemployed Youth

In June 16 unemployed youth in the community of Halmion, southern Kyrgyzstan received Category III status in electro-gas welding as part of the USAID-funded Colloaborative Development Initiative project. The project, implemented by Mercy Corps, runs a Master-



Electro-gas welding is one of the popular professions that the CDI helps young people to acquire. Photo: Mercy Corps

Apprentice program to teach youth in southern Kyrgyzstan marketable skills. The program aims to decrease unemployment and reduce sources for tension in remote and economically underdeveloped areas of the country. It provides opportunities for six-hundred unemployed youth to acquire professional technical skills demanded by the market. Due to the low living standards, these youth are unable to receive secondary and higher education; without professionals skills, they are not in demand for either foreign or local labor markets. Most of these youth would otherwise emigrate to Russia in an attempt to find employment or resort to working as seasonal agricultural workers. In Halmion alone, CDI Program has organized sewing, hairdressing and vehicle repair courses for forty unemployed youth.

Tajikistan

Tajikistan Scales Up Education Financing Reforms

On June 29, the Government of Tajikistan signed a decree institutionalizing the education financing model, developed and introduced with assistance from USAID and the World Bank. Additionally, by the end of the year, the Government is planning to expand the number of education financing pilots to cover 16 districts and about 850 schools countrywide. The new per student "output-based" budgeting system will replace Soviet era "input-based" budgeting that lacked incentives to improve school-level efficiency. It is expected that in 2008, the new approach will be used to form the overall education sector budget for all districts and cities involved in the pilot. The education financing reform was introduced in the country by USAID's PEAKS project at 51 schools in one pilot district five years ago. Since 2005 four other donors and the Government of Tajikistan have been



Tajik representatives from pilot districts discuss implementation of the education financing reform during a workshop in Dushanbe. Photo: PEAKS

using USAID models to open pilots in other districts. Changes in public school financing in pilot districts have already resulted in more transparent, predictable, and fair allocation of funding, as well as in cost savings that schools are using for renovations and supplies.

USAID Helps to Design and Implement a TB/HIV Interaction Model

On July 5 the USAID-supported CAPACITY project and the Ministry of Health of Tajikistan presented the first results of pilot implementation of the TB/HIV interaction model in Dushanbe. The growing rate of co-infection is a concern all over the world and especially in Tajikistan. The country has the highest TB rate in the Europe region and a rapidly spreading HIV due to the number of reasons including drugaddiction and labor migration. In response to this concern, in 2005 USAID began assisting the Ministry of Health to design and implement a TB/HIV interaction model. Cooperation has resulted in new procedures, policies, structure of interaction between TB and HIV systems, and a pilot program that provides patients with advice and care. The country is planning to roll out the pilot model throughout the country, using the funds from the new TB grant from the Global Fund.



USAID programs train Tajik professionals to improve laboratory diagnostics of infectious diseases. Photo: USAID

Turkmenistan

The US Assistant Secretary of State Visits a Self Governance Model Community in Turkmenistan

In June, during his four-day visit in Turkmenistan, the US Assistant Secretary of State for South and Central Asian Affairs Evan A. Feigenbaum visited the USAID-supported Saglyk community in Ahal Region. USAID and Counterpart International helped the community build a new irrigation system as well as taught them the basics of self-governance. Due to the assistance, the village significantly increased the yield of fruit and vegetables and generated more income. The community became an example of self governance, participatory decision making, and social partnership. The neighboring villages are eager to replicate Saglyk's experience to improve their lives. The local government is also enthusiastic to cooperate with community activists and to support community initiatives. According to government representatives, engaged citizens as those in Saglyk are the key to solving local-level social and economic issues.



The Assistant Secretary learned about Saglyk's work from the community's photos and stories. Photo: USAID

USAID Provides Much Needed Trainings for Turkmenistan's Medical Staff

The USAID ZdravPlus project recently conducted trainings on antenatal care for gynecologists and obstetricians in Balkanabad, Turkmenabad, and Mary Velayats that have significantly increased the knowledge of local medial staff. While pre-training tests showed from 16-18% knowledge among training participants, after the training gynecologists and obstetricians scored from 82-92% on the test. The Senior Gynecologist of Mary Velayat noted that this was the first professional training gynecologists and obstetricians received since 1998.

Correction for the USAID/CAR June Newsletter story "Senate Staff Explore U.S. Assistance to Kazakhstan": the last sentence should have read: "A highlight of Mr. Foldi and Mr. Marik's visit was a tour of Almaty's Youth Power Center, managed by the CAPACITY project, to observe results of a successful USAID HIV prevention program for at-risk youth." We apologize for the error.